

## OVERVIEW OF BUDGET

DEPARTMENT: CHILD SUPPORT SERVICES

DIRECTOR: CORY NELSEN

BUDGET UNIT: AAA DCS

### I. GENERAL PROGRAM STATEMENT

The County Child Support Enforcement Program is governed by Title IV-D of the Federal Social Security Act, which was originally enacted in 1975. Federal regulations require that the program be administered at the state level by a single agency which, in turn, may contract with counties to conduct the enforcement program. Federal financial participation consists of payment of 66% of program costs and payment of graduated incentives to states for meeting program objectives. The balance of allowable county expenditures is reimbursed by the state. Basic program activities include locating absent parents, establishment of paternity, establishment of support orders pursuant to state guidelines, enforcement of support obligations, modification of support obligations when needed, and collection and distribution of support payments.

### II. BUDGET & WORKLOAD HISTORY

	<u>Actual 2000-01</u>	<u>Budget 2001-02</u>	<u>Actual 2001-02</u>	<u>Budget 2002-03</u>
Total Appropriation	26,342,239	41,166,587	31,995,423	40,798,946
Total Revenue	26,342,215	41,166,587	31,914,757	40,798,946
Local Cost	24	-	80,666	-
Budgeted Staffing		702.8		649.7
<b><u>Workload Indicators</u></b>				
Collections	\$112,241,434	\$125,000,000	\$123,250,485	\$141,130,000
Open Cases	172,941	165,000	166,987	151,000
Cases Per Officer	797	760	732	583

The 2001-02 state budgeted allocation to Child Support Services represents spending authority based on caseload size rather than realistically attainable spending levels in the short term. The department's rate of program growth, while increasing, has been constricted by a combination of factors including limited training capacity, lengthy recruitment and hiring timeframes, and a shortage of personnel with the necessary experience for immediate promotion.

The local costs shown in "Actual 2001-02" reflect Internal Service Fund charges applied to the department after submission of year-end closing documentation. These costs are claimable to the Child Support Program and will be reimbursed through regular program funding sources.

### III. HIGHLIGHTS OF BOARD APPROVED CHANGES TO BUDGET (see attachments for detailed changes)

#### **STAFFING CHANGES**

The net reduction of 53.1 budgeted positions from 2001-02 is the result of a combination of staffing additions and reductions, as well as changes in the method used to calculate both overtime and the vacancy factor. For 2002-03, overtime was not calculated as budgeted staffing positions, but was added in dollars to increase the overall salaries and benefits budget. This change over 2001-02 resulted in a reduction of 48.3 budgeted positions. The vacancy factor is undistributed and reflects a net reduction of 80.8 budgeted positions. Also, 1.0 Fiscal Clerk III position and 1.0 Deputy Chief of Child Support position have been eliminated. A mid-year board item (November 20, 2001, #074) increased budgeted positions by 47.0. There is also 78.0 authorized positions, funded only part of the year, increasing budgeted positions by 21.0 positions. In addition, 2.0 Investigative Technician positions as well as 8.0 extra help positions were authorized and funded for an increase of 10.0 budgeted positions. The net of these changes is a reduction of 53.1 budgeted positions.

## CHILD SUPPORT SERVICES

It is expected that by the fourth quarter of the 2002-03 fiscal year the department will have additional office space in both the Victorville and San Bernardino areas and that all requested positions will be filled. The budgeted additional caseworkers, supervisors and support staff in 2002-03 are based on future caseload growth and the existing and pressing need to reduce individual caseload size. The Department of Child Support has the highest caseloads per caseworker in the state, impairing proper case management and program improvement.

Hiring and deploying staff is the highest priority of the department. Management has worked closely with Human Resources to reclassify unneeded positions, to create needed positions, to improve the process of recruiting and screening candidates and to streamline the hiring process. The department is now capable of hiring about 30 new staff per month but is in critical need of a training facility to conduct concurrent training classes for support officer trainees, new employees, and existing staff. Training and program improvement are the highest priorities of the state program and additional state funding has been provided for those purposes.

### PROGRAM CHANGES

In 2001, following Board of Supervisors approval, the department issued an RFP for larger facilities in the Victorville area. Pursuant to that process, a vendor has been selected and a build-to-suit facility is in the design stage. The developer has indicated that the new building could be ready for occupancy in the first half of 2003. Costs associated with installation of the communications infrastructure and furniture and for staff relocation have been included in the 2002-03 budget.

The department is working with HSS Facilities and Services to develop RFPs for a training facility in the San Bernardino area, an expansion of space in the West End, and new space in the downtown San Bernardino area. Space needs are based on projected staffing levels necessary to achieve the level of case management and customer services mandated by state child support regulations.

For the past several years, the department has significantly under spent its budget allocation. State allocations based on caseload size have resulted in spending authority that has greatly exceeded the ability of the department to absorb. Now that conversion to the Star/Kids automated system and transition from the District Attorney's Office have been accomplished, the department is prepared to move ahead on staff development.

The state allocation for 2002-03 has been reduced because of declining state revenues. Nevertheless, the amount allocated by the state is sufficient for the department to continue its objectives of increasing staff and reducing caseloads per worker. Funding for increased staff in future years will be generated by the increased collections new staff will achieve.

GROUP: Human Services System DEPARTMENT: Child Support Services FUND: General AAA DCS			FUNCTION: Public Protection ACTIVITY: Child Support		
	2001-02 Actuals	2001-02 Approved Budget	2002-03 Board Approved Base Budget	2002-03 Board Approved Changes to Base Budget	2002-03 Final Budget
<b><u>Appropriations</u></b>					
Salaries and Benefits	22,150,228	28,042,650	33,759,263	(5,046,489)	28,712,774
Services and Supplies	6,820,311	9,968,384	10,066,422	(1,529,484)	8,536,938
Central Computer	682,760	682,760	481,047	-	481,047
Equipment	164,740	228,000	228,000	192,000	420,000
Transfers	2,177,385	2,244,793	2,244,793	403,394	2,648,187
Total Appropriation	31,995,423	41,166,587	46,779,525	(5,980,579)	40,798,946
<b><u>Revenue</u></b>					
State, Fed or Gov't Aid	31,914,757	41,166,587	46,779,525	(5,980,579)	40,798,946
Total Revenue	31,914,757	41,166,587	46,779,525	(5,980,579)	40,798,946
Local Cost	80,666	-	-	-	-
Budgeted Staffing		702.8	787.0	(137.3)	649.7

## CHILD SUPPORT SERVICES

### Total Changes in Board Approved Base Budget

Salaries and Benefits	<u>5,716,613</u>	MOU, retirement increases, and mid-year Board Item #074 (November 20, 2001).
Services and Supplies	<u>98,038</u>	Inflation, risk management liabilities, and EHAP.
Central Computer	<u>(201,713)</u>	
Revenue	<u>5,612,938</u>	Revenue provided by state and federal funding, not local county costs.
Total Appropriation Change	5,612,938	
Total Revenue Change	5,612,938	
Total Local Cost Change	-	
Total 2001-02 Appropriation	41,166,587	
Total 2001-02 Revenue	41,166,587	
Total 2001-02 Local Cost	-	
Total Base Budget Appropriation	46,779,525	
Total Base Budget Revenue	46,779,525	
Total Base Budget Local Cost	-	

### Board Approved Changes to Base Budget

Salaries and Benefits	<u>(5,046,489)</u>	Increased vacancy factor to approximately 14%.
	<u>(5,046,489)</u>	
Services and Supplies	196,644	Budgeted increase in ISD costs based on 2001-02 actual expenditures.
	531,277	Budgeted increase in equipment and equipment maintenance based on projected need.
	(124,721)	Decrease in computer software costs based on department anticipated need.
	200,000	Increase in utilities due to after-hours and overtime costs for lights and HVAC per negotiated lease agreement.
	225,200	Postage increase based on 6% inflation and 15% estimated increase in usage.
	(257,149)	Reduction in temporary help services to comply with county policy on extra help.
	(267,274)	Reduction in advertising costs per department changes in public outreach.
	(2,207,280)	Decrease in other professional services based on 2001-02 actuals.
	130,000	Increase in building maintenance and security, based on 2001-02 actuals.
	28,560	Increase in other travel related to increase in training classes for all staff.
	15,259	Changes in other categories as determined by 2001-02 actuals and inflation.
	<u>(1,529,484)</u>	
Equipment	<u>192,000</u>	New computer equipment for Victorville and training facility as well as copiers.
Transfers	<u>403,394</u>	Human Resources (\$191,300); Real Estate Services (\$2,330,705); Human Services System (\$126,182).
Total Appropriations	<u>(5,980,579)</u>	
Revenue		
State and Federal Aid	<u>(5,980,579)</u>	Revenue is based on expenditures.
	<u>(5,980,579)</u>	
Total Revenue	<u>(5,980,579)</u>	
Local Cost	<u>-</u>	